



NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

Fiscal Analysis Memorandum

CONFIDENTIAL

Requestor: House Finance Committee
Analyst(s): Madison Kaye Lahey
RE: PCS to H.B. 1034

SUMMARY TABLE

[Link to the Fiscal Note Workbook](#). Copy and paste the summary table here after deleting link.

FISCAL IMPACT OF PCS to H.B. 1034 (\$ in millions)

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
State Impact					
Special Fund Revenues	-	-	-	-	-
<u>Less Expenditures</u>	<u>75.0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special Fund Impact	(75.0)	-	-	-	-
NET STATE IMPACT	(\$75.0)	-	-	-	-

FISCAL IMPACT SUMMARY

This bill allocates \$75 million nonrecurring from federal funds to Golden L.E.A.F. to support a small business loan program.

FISCAL ANALYSIS

This bill allocates \$75 million in FY 2019-20 from federal funding received under P.L. 116-136 (CARES Act) to Golden LEAF. Golden LEAF is authorized to grant the \$75 million to an entity that will subcontract with lenders capable of making loans to small businesses. While the bill includes a repayment mechanism, the uncertainty surrounding the COVID-19 outbreak makes predicting repayment schedules and loan default rates difficult. The most conservative estimate assumes that no funds will be repaid within the first five years of the program.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES



FISCAL ANALYSIS MEMORANDUM – PURPOSE AND LIMITATIONS

This document is a fiscal analysis of a bill, draft bill, amendment, committee substitute, or conference committee report that is confidential under Chapter 120 of the General Statutes. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts. This document is not an official fiscal note. If a formal fiscal note is requested, please email your request to the Fiscal Research Division at FiscalNoteRequests@ncleg.net or call (919) 733-4910.

